

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
OWEN COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period July 1, 2004
Through June 30, 2005**



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CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

Robbie Rudolph, Secretary
Finance and Administration Cabinet
The Honorable Lee Cochran
Owen County Property Valuation Administrator
Owenton, Kentucky 40359

We have performed the procedures enumerated below, which were agreed to by the Owen County Property Valuation Administration (PVA), solely to assist you with the accountability for statutory contribution, receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2004 through June 30, 2005. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Owen County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipt ledger, a disbursement ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2005), to determine if amounts are accurate.

Finding -

The PVA maintains a receipt and disbursement ledger. Bank records are reconciled to the ledger monthly. The amounts on the year-end bank reconciliation were determined to be accurate.

2. Procedure -

Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

Recorded city receipts agreed with confirmations and all appropriate cities were included on the PVA's records.



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3. Procedure -

Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

The budgeted statutory contribution by fiscal court agreed to the required amount calculated by the Department of Revenue. Payments from fiscal court traced to the PVA's bank account.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (If Any) to determine if expenditures are for official business.

Finding -

Selected disbursements traced to supporting documentation. One invoice for a subscription to the Lexington Herald Leader was determined not to be for official business.

PVA's Response-

Owen is surrounded by five counties and have property owners living in Owen who have out-of-county addresses. We review the obituaries and up-date our Homestead & Disability Exemption lists.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

There were no capital outlay disbursements during fiscal year 2005.

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6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

The contract for copier maintenance was determined to be appropriate, properly authorized, and agreed to the actual payment.

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

The comparison of the final budget to actual expenditures was favorable. The PVA did not overspend in any account series.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if the PVA was sufficiently collateralized for the year and if a collateral agreement exists.

Finding -

Collateral was not necessary for the PVA's funds.

9. Procedure -

Determine whether timesheets are completed, maintained, and support hours worked.

Finding -

The employees of the PVA's office did not prepare, sign, or submit timesheets.

We were not engaged to and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Robbie Rudolph, Secretary
Finance and Administration Cabinet
The Honorable Lee Cochran
Owen County Property Valuation Administrator
(Continued)

This report is intended solely for the use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a long horizontal flourish extending to the right.

Crit Luallen
Auditor of Public Accounts

Engagement fieldwork completed -
September 27, 2005

